



KAZAKHSTAN PORTFOLIO OVERVIEW

United States Agency for International Development

Central Asia Region

ENTERPRISE & TRADE	Implementing Partners
<p>SME Support and Business Education: USAID is providing increased opportunities to access business and economic information. Through five Enterprise Development Centers (EDC) located throughout the country, USAID's SME Development project is delivering a comprehensive package of information, technical assistance, and business training and advisory services to entrepreneurs and business managers. Business training and business advisory services draw on donor synergies by focusing on SMEs that receive small business loans from the European Bank for Reconstruction and Development (EBRD). Work with accounting reform, advocacy group development and professional associations continues to improve the SME environment by promoting greater transparency and accountability. In partnership with a Central Asian regional accounting federation, USAID is supporting a training, examination and certification program that complies with international standards of accounting and audit. A new Regional Trade Promotion activity is facilitating regional trade through an internet-based regional trade network. At USAID's Quality Management Center, SMEs may acquire ISO (International Product Standards) product certification. USAID continues to deliver a wide range of volunteer technical assistance, including business consulting and business association development that strengthens business skills and practices and develops greater advocacy for reform. Finally, USAID's Resource Network for Economics and Business Education (EdNet) will give college students greater access to information and opportunities to succeed in the free market by training professors in economics and business education and making available teaching materials, and providing research opportunities and scholarships.</p>	<p>Pragma, Carana, Winrock International, ACDI/VOCA</p>
<p>Financial Markets: USAID is strengthening financial institutions and increasing financial products, thereby offering SMEs greater access to capital. At the National Bank, USAID financial experts train staff in supervisory techniques, help to improve the banking law and strengthen the National Bank's regulatory role in consolidating financial markets. To increase liquidity in the market and to help SMEs grow, USAID is cooperating with both the Government of Kazakhstan (GOK) and the private sector to continue the development of a mortgage industry, an insurance industry, and a credit bureau. The USAID-supported Small Enterprise Assistance Fund is providing equity, term-debt and lease financing that gives entrepreneurs access to investment capital to operate and expand their businesses. Similarly, the highly successful Kazakhstan Community Loan Fund (KCLF) will continue to provide financial products such as micro and small loans in Taldy-Korgan, Shymkent and Almaty, so that entrepreneurs, primarily women, may grow their businesses. Through work with the Asia Credit Fund, USAID is supporting SME and mortgage lending through a local private bank.</p>	<p>Pragma, Barents, ACDI/VOCA, Mercy Corps</p>
<p>Trade & Investment: USAID is assisting Kazakhstan to meet necessary requirements for admittance to the World Trade Organization (WTO). USAID's legal experts are also helping identify and remove legal and regulatory barriers to SME growth at both the national level and within five separate oblasts through work with SMEs, business associations, and government officials. Assistance also includes concentrated efforts to improve such key laws and regulations as the law on foreign investment, on leasing, on franchising, and on joint-stock companies. USAID is also collaborating with the State Customs Committee to assess and modernize the existing customs regime so that it is in conformance with the International Convention on the Simplification and Harmonization of Customs Procedures.</p>	<p>Pragma</p>
<p>Fiscal Reform: USAID is helping Kazakhstan manage its scarce public resources through fiscal and budget training for Government and Parliament officials; computerizing various operational aspects of the work at the Ministry of State Revenues, and helping to draft key tax and budget statutes and regulations. USAID is also helping the GOK and the Parliament to analyze expenditures, develop the budget; and build their fiscal analysis capability. More intensive work has begun at the oblast and city administration level, in Ust-Kamenogorsk and Pavlodar. Advisors there are providing analytical and operational assistance to improve their budget development processes and the intergovernmental fiscal finance system. Fiscal reform efforts also include assistance to the Accounting Committee for Control over Implementation of the Budget. We are helping review the current legal framework for national and local budget audits and providing recommendations that create better expenditure control and greater transparency of the budget process. Our advisors are also working to develop the capacity of local audit authorities.</p>	<p>KPMG/Barents Group</p>
<p>Small & Medium Agribusiness Support: USAID provides targeted business skills and training courses to entrepreneurs and business managers in the agricultural sector, including business planning, strategic marketing, and financial accounting. Through the MASHAV Cooperation Agreement, Agriculture Consulting Centers are bringing modern greenhouse technology to Kazakhstan to support increasing demand for high-value crops due to the rising number of petroleum workers in the Atyrau Region. USAID is developing a new financial instrument through its grain warehouse receipts program, which, when fully operational, will give farmers access to capital using grain as collateral, thereby giving them greater opportunity to grow their agribusinesses. USAID is also supporting the Kazakhstan Community Loan Fund, which provides microfinance and business support to micro and small enterprises, a number of which are agricultural. Through the Farmer-to-Farmer program, USAID sponsors executive volunteers to deliver industry-specific technical assistance to small and medium agribusinesses.</p>	<p>Pragma, MASHAV, ACDI/VOCA, Winrock International</p>

DEMOCRATIC CULTURE & INSTITUTIONS	Implementing Partners
<p>Civic Organizations: USAID supports the development of the NGO sector in Kazakhstan broadly by funding the establishment of a network of Civil Society Support Centers (CSCCs) – NGOs that will become localized, sustainable nodes of support for other NGOs. This strengthens the support infrastructure available to NGOs, leading to an increase in the professionalism, sustainability and impact of both incipient and mature NGOs. USAID also supports the empowerment of NGOs in targeted areas, such as the legal and environmental sectors. Special attention is given to promoting advocacy and organizing grassroots efforts to implement positive change in local communities. USAID also supports NGO participation in the preparation of legal and regulatory frameworks affecting NGO operations and resource centers serving NGOs outside major cities.</p>	<p>ABA/CEELI, Counterpart Consortium, ISAR, NDI, US Embassy (Democracy Commission)</p>
<p>Media & Information: USAID supports independent media outlets, including print media, media advocacy and local production capacity building. Activities include seminars, internships, residencies, limited equipment donations, and training courses on media management, advertising sales, computer graphics, media rights, public service announcements, and journalistic professionalism. USAID funds information resource centers, websites and NGO newsletters aimed at educating the public and building constituencies. USAID also supports women's legal rights through seminars and a hotline on various gender-related topics (e.g., domestic violence, sexual harassment and trafficking). USAID promotes civic education through innovative critical thinking and debate methodologies, along with civic education textbooks and curricula, in universities and primary and high schools.</p>	<p>ABA/CEELI, IFES, Internews, Soros Foundation, Adil Soz, PAS, IOM, Transparency International</p>
<p>Political Process: USAID is providing technical assistance to strengthen the legislative drafting center in Parliament. USAID works with the Parliament to adopt procedures and legislative oversight that improve accountability. This includes encouraging transparent positive dialogue with NGOs and other interest groups, and public seminars or hearings on pending legislation. USAID is working with NGOs and parliamentarians to develop effective NGO legislation. USAID participates in OSCE election round tables and maintains limited contact with the Central Election Commission in an effort to encourage electoral reform.</p>	<p>ABA/CEELI, ICNL, IFES</p>
<p>Local Government: USAID promotes decentralization and good governance in pilot cities, as well as through policy dialogue with the central government and Parliament. USAID supports a national network of Regional Training Centers (RTC) via Training of Trainers (TOTs), curriculum development and grants. USAID trains locally elected council members and local officials nationwide in how to promote public participation and in budgetary and financial management. USAID also trains housing cooperatives in accounting and management and advises national policy makers and legislators on how legislation can strengthen local governments' authority and effectiveness. As part of the Resource Cities program, USAID organizes exchanges of local government representatives between Kazakh and U.S. cities to improve the quality of local governments and to strengthen democracy at the local level.</p>	<p>ICMA</p>
PRIMARY HEALTH CARE	Implementing Partners
<p>Quality Primary Health Care: USAID is implementing fundamental systemic changes to create a higher quality, user-friendly, more cost-effective primary healthcare system in select oblasts. USAID is expanding training for doctors and nurses on prevention and treatment of the major causes of infant and child mortality. Quality initiatives include supporting pilot facilities to improve reproductive health services through quality improvement approaches; training select groups of physicians to develop evidence-based clinical protocols for national implementation; and creating a model drug information center. USAID is promoting increased consumer options through enrollment campaigns that allow people to choose their family doctors. USAID supports a free telephone hotline in 6 cities that provides reproductive health information to the public, as well as mass media campaigns and health information materials for primary health care clinics, to better inform people how to stay healthy. USAID is strengthening NGO capacity through needs-based organizational development assistance, by helping to design new services that NGO members can purchase and by teaching advocacy skills. To better finance and promote competition and efficiency, USAID is designing and implementing incentive-based provider payment methods and developing management and health information systems in selected oblasts to improve financial and management decision-making.</p>	<p>Abt Associates/ Zdrav Plus, Counterpart Consortium</p>

<p>Health Partnerships: USAID supports health partnerships to promote more effective and efficient delivery of health services. The partnership between the Virginia Commonwealth University and Kazakhstan School of Public Health (KSPH) is improving and developing post-graduate programs in public health and health management, research and service functions. The partnership between Mercy Health System of Pittsburgh and Astana City Health Administration is developing prevention-oriented, family-based primary health care with integrated delivery of health services by establishing a model urban Family Medicine Center in Astana.</p>	AIHA
<p>Infectious Disease Control: USAID continues to provide technical assistance to the Ministry of Health in implementation of the WHO-recommended Directly Observed Therapy Short-course (DOTS) strategy for TB control nationwide. The focus of this effort is to strengthen and standardize monitoring of TB DOTS program implementation. In preparation for DOTS implementation in a prison, USAID conducted an assessment of the TB program in the prison system of Karaganda Oblast. The TB Electronic Case-Based Surveillance System developed by USAID became fully operational and a database was established in January 2001. It allows TB experts and policy makers to rapidly analyze trends and patterns in the TB incidence and mortality rates and make informed decisions. Incorporating EPI-MAP software that can demonstrate data clustering in each oblast/rayon has further refined the government's TB surveillance capacity. USAID continues to strengthen the Infectious Disease Reference Laboratory, which has developed a Viral Hepatitis proficiency panel to standardize diagnostic procedures.</p>	CDC, Project HOPE, RPM
<p>HIV/AIDS Control & Prevention: USAID is initiating an extensive program of activities to control and prevent the HIV/AIDS epidemic in Central Asia. An important part of USAID's strategy includes a new collaborative effort with Soros Foundation – Kazakhstan to extend programs for those groups most vulnerable to the epidemic: injection drug users, commercial sex workers and prisoners. Research and training in HIV/AIDS surveillance has been initiated. USAID has started activities on HIV/AIDS prevention, which included a study tour for government officials to a model Harm Reduction site in Vilnius, Lithuania; Central Asian Condom Social Marketing Assessment and Workshop; and the Central Asian Initiative Conference on the Prevention of HIV/AIDS/STIs. A document highlighting USAID's strategy on HIV/AIDS prevention in Central Asia has been published. Condom social marketing programs will be initiated in the epicenters of the epidemic: Karaganda city, Kazakhstan, Osh city, Kyrgyzstan, and in Uzbekistan's portion of the Ferghana Valley.</p>	Soros Foundation, PSI, CDC

ENERGY & WATER MANAGEMENT	Implementing Partners
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<p>Natural Resource Management: USAID is facilitating regional cooperation in water resources management and increasing access to information, knowledge and skills needed to better manage water and energy resources. Training and partnerships with U.S. policy specialists are helping the Kazakhstan Energy Association, the Anti-Monopoly Commission, Kazakhstan Electric Grid Operating Company (KEGOC) and Atyrau Heat and Power better manage the heat and power industry and regulate the oil and gas sector. The presentation of new technology and ideas in Atyrau will increase energy efficiency in the heat and power system, clean oil fields and minimize waste in oil and gas extraction. Strengthened data collection and communication systems are promoting national and regional information sharing that is needed to help water managers make more informed decisions on annual forecasting of snowmelt, planning, allocating, and modeling critical water systems. USAID is providing equipment installation, associated software models, and training. In this area USAID is working closely with the World Bank and other international donors.</p>	PA Consulting, Winrock International, Development Alternatives Inc., Riverside Technologies Inc., KEA, USEA, MASHAV
<p>Public Commitment: USAID is increasing information about accepted best environmental management practices in the development of oil and gas. Public awareness activities are coupled with practical assistance efforts, such as models that demonstrate the viability of management concepts and new technologies, as well as the practicality of proposed policy and regulatory framework reforms. U.S. experts are promoting market-based utility tariffs that protect disadvantaged customers and encourage energy conservation. With USAID assistance, energy-consumer NGOs are learning to advocate open and transparent energy prices and improved services. USAID is building public interest and commitment for reform in the management of water resources with public awareness activities coupled with practical assistance efforts in the form of demonstration models.</p>	PA Consulting

SUPPORTING ACTIVITIES	Implementing Partners
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<p>The Conflict Mitigation Initiative, which includes the Community Action Investment Program (CAIP), promotes broad-based citizen dialogue and participation in community development activities, with an overall goal of reducing the potential for violent conflict in target communities. Initiated in FY 2002, CAIP will be directed at mitigating sources of conflict in targeted communities, primarily in Shymkent. These programs will introduce community participatory processes to help identify priority investments in social infrastructure improvements, create several thousand new short-term and sustainable jobs (the majority of which will be for youth), and improve social services through new and repaired infrastructure.</p>	ACDI/VOCA
<p>Youth & Education: A USAID-funded civics education textbook and accompanying teacher training and manuals are in use in secondary schools in Tajikistan, Kazakhstan, and Kyrgyzstan; USAID-supported democracy summer camps, student local government days, and student action committees round out the extracurricular portion of this program. USAID also works with Soros Foundation in Kazakhstan to train primary and secondary educators to use democratic principles in the classroom, build critical thinking skills, and involve parents. Junior Achievement, supported by USAID, is also active in Kazakhstan. Business education and training is a key component of USAID's enterprise objective across the region (see section on Business Support & Education above). The Community Action Investment Program also involves considerable primary</p>	IFES, Soros Foundation Kazakhstan, Junior Achievement, Abt Associates

school renovation and equipment. Game Days are being implemented in cross-border areas through the Sports and Health Education Project, which aims to use sports as a vehicle to bring neighbors together, promote healthy life styles and advocate against drug use. USAID will address on a more comprehensive basis the deterioration of education in Central Asia and is modifying its crosscutting objective into a new special objective to improve basic education, focusing on primary and secondary education.	
Eurasia Foundation makes small grants to support the growth of market and democratic institutions. Grants are focused in three program areas: Civil Society, Public Administration and Private Enterprise Development. Eurasia Foundation makes small grants on an ongoing basis, oriented to support the transition from centrally-planned to market economies. Eurasia operates mostly on an open-door basis, i.e. local organizations are encouraged to submit proposals at any time for funding. The average grant size is approximately \$16,000. Eurasia has grantees in every oblast of the country.	Eurasia Foundation
Participant Training & Exchanges: Training and exchanges remain a critical element for accomplishing USAID's overall strategic goals, and participants are carefully selected to support and complement USAID's broader portfolio and objectives. The training program is highly flexible and includes workshops, on-the-job training, observation, study tours and conferences and generates new ideas from participants on improving practices in their own countries. USAID provides short-term training courses in the United States, in-country and in third countries for mid-to-senior level leaders and professionals in areas directly relevant to the transition to democracy and a free-market economy. Annually, USAID trains over 15,000 Kazakhstanis through various activities. Of this total, USAID trained over 700 Kazakhstani decision-makers, professionals and active citizens (approximately 50% of whom were women) in the areas of enterprise and finance, democratic reform and primary health care through the Global Training for Development (GTD) Project in FY 2001. In 2002, a new training and exchanges program called Strategic Technical Assistance for Results through Training (START) began.	AED

Glossary of Acronyms:

ABA/CEELI:	American Bar Association/Central and East European Law Initiative
ACDI/VOCA:	Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance
AED:	Academy for Educational Development
AIHA:	American International Health Alliance
CDC:	The Centers for Disease Control and Prevention
HOPE:	Health Opportunity for People Everywhere
ICMA:	International City/County Managers Association
ICNL:	International Center for Not-for-Profit Law
IFES:	International Foundation for Election Systems
IOM:	International Organization for Migration
KEA:	Kazakhstan Energy Association
MASHAV:	Israeli Development Agency
NDI:	National Democratic Institute
OSCE:	Organization for Security and Cooperation in Europe
PAS:	Public Affairs Section of the U.S. Embassy
PSI:	Population Services International
RPM:	Rational Pharmaceutical Management
USEA:	U.S. Energy Association